The Director

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Washington, D. C. 20505

25 OCT 1977

Honorable Walter D. Huddleston, Chairman Subcommittee on Charters and Guidelines Select Committee on Intelligence United States Senate Washington, D. C. 20510

Dear Mr. Chairman:

I have reviewed with my staff the matters raised in your letter of 16 September 1977 (R#9816), requesting my views as to certain aspects of sections 5 and 6 of the Central Intelligence Agency Act of 1949, as amended (50 U.S.C. 403a-j). I am enclosing a paper with detailed responses regarding the issues raised in your letter. It is my firm belief that these provisions of the CIA Act are essential authorities without which the Agency's ability to fulfill its mission would be severely handicapped.

Specifically, in your letter you inquired as to the following sections of the CIA Act: section 5(a), authority to transfer and receive sums from other Government agencies; section 5(b), authority to engage in currency transactions; section 5(c), permitting the detail of personnel to and from the Agency; section 5(e), authorizing the Agency to expend necessary sums to rent, alter or repair premises; and section 6, protecting against public disclosure information relating to the organization, functions, names, titles, salaries or numbers of personnel employed by the Agency. Each of these sections contains explicit language providing that the Agency may utilize any of the authorities granted thereunder without limitations of other law or laws that otherwise would apply to a Government agency engaging in the activities covered by these sections.

These provisions afford explicit statutory recognition of the unique mission and security requirements of the Central Intelligence Agency. In their most general characterization, these provisions allow the CIA to maintain the integrity of its foreign intelligence mission. In specific terms, it is these provisions that address issues relating to the personal safety of employees and agents engaged in intelligence operations, the ability to expend sums for intelligence operations overseas without disclosing U. S. sponsorship, the confidentiality of the CIA budget, and the renting of secure premises both here and abroad provides the confidential confi

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In addition to protecting these aspects of the Agency's foreign intelligence mission, these statutory provisions ensure that only those legislative limitations that Congress specifically determines should be applicable to the CIA shall apply. In practical terms, without these authorities (which, of course, apply only to the specific aspects of the Agency's mission mentioned therein), large numbers of existing laws would have to be amended to provide specific exemptions for the Agency. The sounder approach is that taken presently, under which the Congress can and does exercise legislative control over the Agency through the appropriations process and through legislation specifically applicable to the CIA. Without the statutory exemptions cited above, the operational effectiveness of the Agency and its ability to carry out its mission could be destroyed by legislation that inadvertently impacts on CIA operations.

You have also requested my views as to the extent to which these statutory exemptions are limited by section 662 of the Foreign Assistance Act of 1961, as amended. In my view, the restrictions contained in section 662 do not address the same issues as those contained in sections 5 and 6 of the CIA Act. Section 662, the so-called Hughes-Ryan amendment, places limitations on the process whereby the CIA conducts certain activities abroad, by requiring that no funds may be utilized for covert action purposes without the appropriate Presidential finding and reporting to the Congress. The provisions in sections 5 and 6 of the CIA Act, which might concern covert action activities by the CIA, run to the manner in which programs may be carried out rather than, as is the case with section 662, to the matter of reporting information to the Congress. The provisions of section 662 apply irrespective of the authorities the Agency possesses in regard to the transfer or expenditure of funds, and in regard to the management of personnel resources and facilities.

I appreciate the opportunity to provide my views on these extremely important matters relating to existing statutory authorities for the CIA and the consideration of intelligence charter legislation. I hope the views expressed in this letter and in the enclosure will be of help to you. Please do not hesitate to contact me or officers on my staff if you would like additional information on these matters.

Yours sincerel

STANSFIELD TURNER

Enclosure

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